

ISSUE REVIEW

Fiscal Services Division

December 1, 2010



Cedar Rock State Park

ISSUE

This *Issue Review* provides an overview of the Cedar Rock State Park that is part of Iowa's park system and managed by the Department of Natural Resources (DNR).

AFFECTED AGENCIES

Department of Natural Resources

CODE AUTHORITY

Chapter 461A

BACKGROUND



The Walter House designed by Frank Lloyd Wright at Cedar Rock.

The Cedar Rock State Park is a summer home that was designed by Frank Lloyd Wright for Lowell and Agnes Walter. The residence was donated to the Iowa Conservation Commission in 1981, by Agnes Walter, upon her husband's death. The residence is located on a limestone bluff overlooking the Wapsipinicon River near Quasqueton, Iowa, in Buchanan County. The house is located on 11.5 acres that was donated to the State and is now managed by the DNR.

Frank Lloyd Wright was an architect, interior designer, writer, and educator that designed over 1,000 projects and had over 500 completed works that included homes, offices, churches, schools, hotels, and museums. Of these 500 structures, Wright awarded his signature tile to 24 structures and Cedar Rock is one of those selected for this distinction. The home continues to display the medal. The Walter home is an example of his Usonian style of house, designed for middle-class clients. This style included small kitchens with adjoining dining spaces, built-in seating with tables, and a fireplace. The Walter home is unique as Wright designed the furniture and selected the furnishings for the home that exist in the home today.

The Walter Charitable Trust Fund was created in 1981 with an initial investment of \$1.0 million to accomplish several charitable donations, with Cedar Rock seventh on the list. According to the charter document, once the six obligations have been met, then any remaining net proceeds are designated to pay for the maintenance of the home. In addition to the first six charitable projects, money from the trust fund has been used to pay for annual operations, major repairs, and to purchase an additional 185 acres of land adjacent to Cedar Rock. A visitor center was built on part of the land to accommodate tourist vehicles and large buses. For 28 years the trust fund has provided 100.0% of Cedar Rock's funding.

The DNR owns 120 acres of land adjacent to the property that is designated as a wildlife area that is also open to the public for hunting. See **Attachment A** for a map view.

CURRENT SITUATION

The Cedar Rock Trust Fund balance has diminished and the trustees have approached the DNR to purchase the 185 acres of land the trust owns including the visitor center. Money received for the sale of the land would be deposited in the Walter Charitable Trust Fund, and in preliminary discussions with the Trust Fund trustees, the DNR would pay the annual operating costs, and the Trust Fund would pay for repair expenditures and land maintenance. The following table summarizes the revenue and expenditures at Cedar Rock State Park for the past five years and includes the five-year average expenditures:

Cedar Rock State Park Five Year Revenues and Expenditures								
	·					Five Year		
Description	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Average		
Appropriation	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91,456	\$ 18,291		
Refunds & Reimbursements	201.183	203.135	222.088	213,935	93.049	186,678		
Total Revenue	\$201,183	\$ 203,135	\$222,088	\$213,935	\$ 184,505	\$186,678		
Personal Services-Salaries	\$150,730	\$ 147,460	\$ 155,448	\$161,451	\$ 148,679	\$152,754		
Personal Travel In State	0	282	749	70	16	223		
State Vehicle Operation	2,841	2,990	5,390	5,732	1,733	3,737		
Depreciation	3,805	3,160	875	525	(869)	1,499		
Personal Travel Out of State	0	. 0	554	0	` o´	111		
Office Supplies	3,142	6,289	7,361	3,937	629	4,272		
Facility Maintenance Supplies	14,310	11,972	12,009	5,487	2,334	9,222		
Equipment Maintenance Supplies	1,391	2,867	4,326	4,301	2,094	2,996		
Agriculture & Hort. Supplies	2,728	728	1,925	[′] 79	. 0	1,092		
Other Supplies	4,849	3,905	4,989	3,914	6,623	4,856		
Printing & Binding	0	0	809	0	0	135		
Uniforms & Related Items	1,068	1,564	964	1,017	483	1,019		
Postage	373	402	316	100	48	248		
Communications	1,822	2,552	2,208	2,327	2,108	2,203		
Rentals	910	768	833	609	282	680		
Utilities	10,591	9,977	9,204	8,645	9,472	9,578		
Outside Services	1,293	1,248	3,558	5,248	3,137	2,897		
Advertising & Publicity	0	0	1,409	3,514	2,150	1,415		
Reimbursement to Other Agencies	1,271	2,322	4,498	1,326	563	1,996		
Equipment - Non-Inventory	57	0	0	990	0	209		
IT Equipment	0	0	0	0	364	73		
Other Expense & Obligations	0	4,647	4,663	4,664	4,659	3,727		
Total Expenditures	\$201,181	\$203,133	\$222,088	\$213,936	\$184,505	\$ 204,969		
FTEs	4.00	4.00	4.00	4.00	3.00	3.80		

For FY 2006 through FY 2009, the DNR received funding from the Walter Charitable Trust Fund to pay for expenditures. In FY 2010, in addition to the \$93,049 received from the Trust Fund, the DNR allocated \$91,456 of appropriated funds to pay for expenditures. Using the five-year average column, the top three expenditures include: personnel at \$152,754 (74.5%), utilities \$9,578 (4.7%), and facility maintenance supplies at \$9,222 (4.5%).

The home is currently available for tours from Memorial Day through October 31, and visitors are requested to phone ahead to schedule a tour. The tours are conducted every hour from 11:00 a.m. until 4:00 p.m. Thursday through Sunday and the DNR estimates there are 20,000 visitors per year.

ALTERNATIVES

Charging a Tour Fee

Currently, there is no charge to tour the Walter house; however, donations are accepted at the visitor center. The DNR may want to consider charging for the tour as other properties designed by Frank Lloyd Wright receive payment for tours. A \$10 fee for 20,000 visitors would generate \$200,000 in income per year. Some tour price examples include:

- The Frank Lloyd Wright Home and Studio in Oak Park, Illinois, charges \$25 per person.
- The American System-Built Home in Milwaukee, Wisconsin, charges \$10 per person.
- The Darwin Martin Home in Buffalo, New York, charges \$15 per person for a basic tour and \$30 per person for an in-depth tour.
- The Taliesin West home in Scottsdale, Arizona, charges \$18 to \$24 for a one-hour tour based on the day of the week.
- The Taliesin Preservation, Inc. located in Spring Green, Wisconsin, offers a variety of tours and prices range from \$16 for a tour of Hillside studio and theater to \$80 for a four-hour tour of the estate.

Code Chapter 461A.35A currently prohibits the DNR from charging an entrance fee. Charging a fee to tour the Walter home would require a statutory change.

Development of the State Park

The DNR Parks staff has developed a preliminary design concept for the area; however, there has not been a budget developed detailing expenditures at this time. The design concept encourages visitors to make Cedar Rock a destination stop that includes overnight travel rather than for just touring the area. The design concept includes:

- Purchasing the land.
- Building and designing cabins for rent that reflect different styles of Frank Lloyd Wright architecture.
- Developing the visitor center into a Leadership in Energy and Environmental Design (LEED) certified structure with a lecture hall. The visitor center could be used for educational events and also be available for public rental. Other changes would include expansion of the gift shop area and creation of a small research library dedicated to the work of Frank Lloyd Wright with emphasis on the work at Cedar Rock.
- Extending the trail system at Cedar Rock State Park and connecting to the city of Quasqueton. In addition, the 185 acres of land would be restored from farmland to tallgrass prairie that would create a natural setting, improve wildlife habitat, and water quality

Other Activities

Other events could be held to encourage visitors to the area. One example proposed by the DNR would include gatherings at the outdoor fire circle. Events could be held and the DNR could charge fees to cover the cost of the event.



Evening events could be held at the outdoor fire circle.

Local Support

The Friends of Cedar Rock is a newly-created nonprofit organization to support and sustain the Walter House. Group activities will include education, promotion, and fundraising. Memberships can be purchased at the Park.

Other Groups

Other groups providing information on preserving Frank Lloyd Wright structures include:

- The Frank Lloyd Wright Foundation, an international organization founded to preserve the work of Frank Lloyd Wright. The Foundation owns and manages the Taliesin home in Wisconsin and the Taliesin West home in Arizona and is a major resource of Wright's archived work.¹
- The Frank Lloyd Wright Building Conservancy is an international organization, with the mission to preserve and maintain Frank Lloyd Wright structures. The Conservancy website includes a listing of all Frank Lloyd Wright structures including a listing of homes available for sale.²
- The Frank Lloyd Wright Preservation Trust is a nonprofit group that acquired and is preserving the Frank Lloyd Wright Home and Studio in Oak Park, Illinois.³

BUDGET IMPACT

Land Purchase

The 185 acres of land that is being farmed has a Corn Suitability Rating (CSR) of 40. This indicates the land would have a lower value as the CSR ranges from zero to 100, with land at 100 valued higher and land at zero valued lower. The federal Department of Agriculture National Agricultural Statistic Service estimated the average price for farm land in lowa at \$3,850 per acre for 2009. The following table estimates the total purchase price of the land at various per acre costs.

Estimated Cost of Cedar Rock Land Purchase								
Corn Suitability Rating is 40								
Acres	Prid	ce Per Acre	Purchase Price					
185	\$	1,500	\$	277,500				
185	\$	2,000	\$	370,000				
185	\$	2,500	\$	462,500				
185	\$	3,000	\$	555,000				
185	\$	3,500	\$	647,500				
185	\$	4,000	\$	740,000				

The DNR reported that the Iowa Natural Heritage Foundation may be interested in purchasing the land from the Cedar Rock Trust Fund and the DNR would buy the land from the Foundation when funds were available.

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¹ Frank Lloyd Wright Foundation website: http://www.franklloydwright.org

² Frank Lloyd Wright Building Conservancy website: http://www.savewright.org/

³ Frank Lloyd Wright Preservation Trust website: www.gowright.org

